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FISCAL IMPACT STATEMENT

LS 7304

BILL NUMBER: HB 1235

NOTE PREPARED: Jan 1, 2003

BILL AMENDED:

SUBJECT: Post-mastectomy Care.

FIRST AUTHOR: Rep. Duncan

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires a state employee health benefit plan, a group accident and sickness insurance policy, and a group health maintenance organization contract to provide post-mastectomy care.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The state employee health benefit plan currently provides this service. Insurance companies maintain data regarding customary postsurgical stay times. This length of stay is preapproved prior to a surgical procedure. If a longer stay is medically necessary, the insurers extend the approved length of stay accordingly. No additional cost is anticipated.

Explanation of State Revenues:

Explanation of Local Expenditures: The cost to local units of government is unknown. However, the benefit is included for those local units that purchase insurance from the Local Unit Group portion of the state health benefit plan.

Health benefit coverage varies among local units that purchase health benefit coverage for their employees. There would be no additional cost for those plans that currently allow an insured individual to remain in the hospital as long as medically necessary. However, premium costs may increase for those plans that have a set time limit for a hospital stay following a surgical procedure.

It is unknown if local groups would absorb any additional costs resulting from this bill or pass the costs on

to employees in the form of higher deductibles, higher premiums, or by limiting other conditions covered. Cost sharing of health benefit premiums varies widely by locality.

Explanation of Local Revenues:

State Agencies Affected: None.

Local Agencies Affected: All local units of government and local school districts that do not provide these services currently.

Information Sources: Keith Beesley, State Department of Personnel, 317-232-3062.

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